COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS & ENERGY

Boston Edison Company	)	**D.T.E. 01-78 Phase II**

THE ATTORNEY GENERAL'S SECOND SET OF INFORMATION REQUESTS

AG-2-1 Refer to Exh. BEC-BKR-3 (Supp.). Which provision of the Company's restructuring settlement, tariff or Department Order authorizes the Company to recover interest associated with the under or over collection of transmission costs? Provide a copy of each specific authorizing provision.

AG-2-2 Refer to the Company's response to DTE-1-4 and DTE-1-9. Please provide a separate monthly tabulation for each category of uplift and congestion costs and revenues for the period March 1, 1998 through December 31, 2001. For each category of cost and each category of revenue indicate which of the Company's rate elements reflected the charges or credits.

AG-2-3 Refer to the Company's response to DTE-1-12, attached schedules. Please explain each entry, what it represents and how it is used to determine transmission or other charges.

AG-2-4 When were the Company's transmission costs last audited by either NEPOOL, NEPEX, ISO-NE or any regulatory authority? Please provide a copy of the most recent transmission cost audit reports, recommendations and the Company's response to or actions taken as the result of the audit findings.

AG-2-5 Refer to Exh. BEC-BKR-3 (Supp.). Are the "Est. Monthly Regional Network Service (RNS) Revenues" based on the same revenue requirement that appears in Col. A? If not, explain the difference and provide the rationale for any discrepancy between the Company's pricing of transmission services to its retail customers and pricing of transmission services to others.

AG-2-6 If the Company's residential heating (R-3) load had been billed at NEPOOL OATT rate effective during 2000 and 2001, what would the cost have been to serve this class? Provide all supporting materials, calculations, workpapers and assumptions. If the result varies from the cost allocated to the R-3 class, provide the basis for the difference.

AG-2-7 Refer to Exh. BEC-BKR-1 (Supp.), p. 4. Please provide all invoices and documentation supporting the data appearing in column B, "Actual Power Total Obligations" for the years 1999-2001. Explain all changes from the original filing.

AG-2-8 Please provide copies of the final versions of the equivalent to Exh. BEC-RAP-1 for the years 1999-2000. Provide a detailed explanation of the changes from the Company's filing in DTE 00-82.

AG-2-9 Refer to Exh. BEC-RAP-1 (Supp.), p. 6. Please provide all invoices supporting the cost of the short term market transactions. Include a summary schedule showing the monthly amounts and the total for the year. Provide a brief description of each type of transaction.

AG-2-10 Refer to Exh. BEC-BKR-2 (Supp.), pp. 1 and 5. Please provide all invoices rendered by the Company to its wholesale customers for the years 1999-2001. Include a tabulation of the amounts paid for this period which support the revenue credit amount appearing on p.1 of Exh. BEC-BKR-2 (Supp.). Explain all changes from the original filing.

AG-2-11 Refer to the Company's response to DTE-1-5. For each of the PPAs, please provide the MW entitlement, the actual monthly entitlement received (kWh) during 2000 and 2001, and the price per kWh for each month during 2000 and 2001. Include all supporting invoices, workpapers, calculations and assumptions related to the price per kWh.

AG-2-12 Refer to the Company's response to DTE-1-6. Please provide a copy of the contract for the "integrated transaction" for 2002. Explain the pricing terms. Include a copy of the Department's approval of this agreement. If the Company has entered into this type of arrangement prior to 2002, please provide copies of the contracts and the Department's approval. Explain the difference between the prior years' contracts and the 2002 contract and describe how these services were procured. If the Company procured the services through an RFP, please provide copies of the original RFPs and a list of RFP recipients.

AG-2-13 Please explain why in 2001 there is an approximately $20 million difference (excluding interest) between default service costs and revenues. Explain why Company did not implement a default service adjustment for 2002. Does the Company intend to implement a default service adjustment in 2003? Explain the rationale.

AG-2-14 Please provide the Company's assessment of the impact that the proposed implementation by the ISO-NE of the Standard Market Design ("SMD") with locational marginal pricing ("LMP") and financial transmission rights ("FTR") will have on the Company's Default Service costs. How does the Company plan to mitigate any anticipated negative effects? Include in the response the estimated costs of congestion to Boston Edison retail customers and wholesale customers. explain any differences between the two.

AG-2-15 Please provide the Company's assessment of the impact that the implementation by the ISO-NE of the proposed Standard Market Design ("SMD") with locational marginal pricing ("LMP") and financial transmission rights ("FTR") will have on the Company's Standard Offer Service costs. Explain the Company's plan to mitigate any anticipated negative effects?

AG-2-16 What specific positions has the Company taken as either a NEPOOL participant or as a party to any FERC proceedings regarding the implementation of SMD (including the allocation of FTRs and auction revenues) that the Company believes are retail customer advocacy positions. Please provide copies of all related filings, statements and describe the final disposition of the issues.

AG-2-17 Please give a detailed explanation of the reasons for congestion in Boston, including the cause and the costs to fix or not fix the problem. Include a description of all energy flow constraints, generation unit restrictions and reliability issues. Include all supporting workpapers, calculations and assumptions related to cost estimates.

AG-2-18 Please provide the Company's most recent 5+ year transmission system upgrade/ expansion plan and budget. Include a description of each project, including the specific benefits of the project, the cost benefit analysis supporting each project, the estimated completion date of each project and whether each project was initiated by the Company or required by an external entity (i.e., required generator interconnection, NEPOOL/ISO-NE approved/required project, etc.). Include all supporting workpapers, calculations and assumptions related to cost estimates.

May 14, 2002